



# ***CITY COUNCIL AGENDA REPORT***

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MEETING DATE: APRIL 5, 2005

ITEM NUMBER:

**SUBJECT:** REZONE R-04-03 AND MASTER PLAN PA-04-05  
SOUTH COAST HOME FURNISHINGS CENTRE  
3333 HYLAND AVENUE

**DATE:** MARCH 24, 2005

**FROM:** DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION

**PRESENTATION BY:** MEL LEE, AICP SENIOR PLANNER

**FOR FURTHER INFORMATION CONTACT:** MEL LEE, AICP SENIOR PLANNER  
(714)754-5611

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## **RECOMMENDATION:**

The Planning Commission, on a 4 to 1 vote (Commissioner Egan voting no), recommended that the City Council take the following actions:

1. Give first reading to the ordinance for Rezone R-04-03 to rezone the subject property from MP (Industrial Park) to PDI (Planned Development Industrial) to accommodate the project; and
2. Approve the master plan to demolish an approximately 307,000 square foot office building and construct a 312,540 square foot multiple tenant home furnishings center with ancillary retail and food uses.

The Planning Commission also adopted the mitigated negative declaration that was prepared for the project.

## **BACKGROUND:**

The Planning Commission recommended approval of the above actions at their February 28, 2005, meeting. The staff report and minutes are attached to this report for reference.

## **ANALYSIS:**

The proposed project is the development of 312,540 square feet of commercial uses that will collectively comprise the South Coast Home Furnishings Centre on an approximately 21-acre industrially-zoned parcel. The proposed "anchor" uses will include major furniture show rooms with display and storage areas; smaller "specialty retail" uses will include home furnishing accessories and décor stores, carpet stores, window blinds and accessories, mattress stores, and furniture stores that market via catalogs rather than through large show rooms. Other retail uses that support the

primary use of the site and the surrounding area, including food uses with non-table counter and take-out only facilities, are also proposed.

Presently the project site contains a 307,000 square foot office building formerly used as a processing center for State Farm Insurance, an asphalt parking lot, and ornamental landscaping. The existing building will be demolished to accommodate the proposed project.

The project entitlements (master plan, rezone, and mitigated negative declaration) are discussed in the sections below.

### Master Plan

The design of the project incorporates major “anchor” tenants in a series of buildings on the westerly and southerly portions of the lot, adjacent to the abutting Nissan facility and the I-405 Freeway. The smaller specialty retail shops and food uses occupy a series of buildings adjacent to the Hyland Avenue and Sunflower Avenue frontages. Surface parking is provided throughout the site. Pedestrian walkways will be provided within the parking area at two key points between the anchor buildings and the specialty shops/food stores. A pedestrian arcade with shade trees and canopies, as well as a plaza/courtyard area, will be incorporated between the specialty shops and food service buildings.

The buildings will be concrete tilt-up construction. The architecture consists of primarily flat roof buildings with parapet roof cornice caps and metal seam sloped roof accents at the ends of the buildings. Exterior surfaces will be painted and provided with reveals, as well as stone material accents. Glass storefronts will be incorporated into the elevations, and awnings will be provided for the buildings containing the specialty retail and food uses at the corner of Hyland and Sunflower Avenues.

### Rezone and Consistency with the General Plan

The applicant is proposing to change the zoning of the property from MP (Industrial Park) to PDI (Planned Development Industrial) to accommodate the project. The zoning code allows complementary non-industrial uses in the PDI zone if the City Council finds the project to be consistent with the City’s General Plan and Floor Area Ratio (FAR) limitations.

The General Plan land use designation of the site is Industrial Park, which is consistent with the land use designations on the surrounding properties. The prior use of the property for the State Farm Insurance offices, and the proposed development for the retail furniture center, are generally considered to be commercial, rather than industrial, in nature. The General Plan Land Use Element (specifically, page LU-36) states the following with regard to commercial uses in industrial areas:

*“Commercial uses may be allowed provided the use is determined to be complementary to the industrial area.”*

The Planning Commission determined that the proposed use will be complementary to the industrial area because the specialty retail component will allow food uses, stationery and office supply stores, and other uses that support the industrial uses in the surrounding area. Because the floor area for the proposed project (312,540 square feet) does not exceed the maximum allowable FAR, and since the uses are compatible with

other uses in the area, the proposed development and rezone are consistent with the City's General Plan.

#### **Initial Study/Mitigated Negative Declaration**

In accordance with the California Environmental Quality Act (CEQA), an Initial Study was prepared for this project. Under CEQA guidelines, if the lead agency determines that there is substantial evidence that the project may have a significant effect on the environment an Environmental Impact Report (EIR) would be required to be prepared. If the lead agency determines that there is substantial evidence that the project may have a significant effect on the environment, but that revisions to the project or the incorporation of mitigation measures would reduce those impacts to a level of no significance, a Mitigated Negative Declaration may be prepared.

The Initial Study/Mitigated Negative Declaration (IS/MND) was prepared for the City by Michael Brandman Associates. The (IS/MND) identified impacts that would be reduced to a level considered less than significant with appropriate mitigation measures, if the project is approved. The Mitigated Negative Declaration was made available for public review from February 9, 2005, to February 28, 2005, as required by CEQA. The Mitigated Negative Declaration was adopted by the Planning Commission at their February 28, 2005 meeting. Under CEQA, City Council must consider the mitigated negative declaration before approving the project.

The complete list of mitigation measures is attached to this report for reference. The full text of the Initial Study/Mitigated Negative Declaration is a separately bound document and is not attached to this report due to its size.

#### **ALTERNATIVES CONSIDERED:**

City Council may consider the following alternatives:

1. Approve the rezone and master plan and adopt the mitigated negative declaration;  
or
2. Deny the project as proposed. If the project were to be denied, appropriate findings would need to be made.

#### **FISCAL REVIEW:**

Fiscal review of the subject request is not necessary.

#### **LEGAL REVIEW:**

Legal review of the subject request is not necessary.

#### **CONCLUSION:**

The Commission determined that the proposed rezone is consistent with the General Plan and the master plan and development will be compatible with the uses in the surrounding area, as well as provide a substantial improvement to the subject property.



MEL LEE, AICP  
Senior Planner



DONALD D. LAMM, AICP  
Deputy City Mg./Dev. Svs. Director

DISTRIBUTION: City Manager  
City Attorney  
City Clerk (2)  
Staff (4)  
File (2)

Birtcher Development, LLC  
Attn: Alan Tuntland  
27611 La Paz Road  
Laguna Niguel, Ca 92677

State Farm Mutual Auto Ins. Co.  
Attn: Charles Scherck  
112 E. Washington St., DTB-13  
Bloomington, IL 61710-0001

ATTACHMENTS: 1. Location Map  
2. Plans and Photos  
3. Draft Ordinance and Exhibits  
4. Draft City Council Resolution  
5. Exhibit "A" Draft Findings  
6. Exhibit "B" Conditions of Approval  
7. Exhibit "C" Mitigation Measures  
8. Minutes from Planning Commission  
Meeting of February 28, 2005  
9. Planning Staff Report  
10. Planning Commission Resolution  
11. Initial Study/Mitigated Negative  
Declaration (Separately Bound  
Document)

File Name: 040505R0403P0405

Date 032405

Time 845a.m.

# ZONING/LOCATION MAP

R-04-03 & PA-04-05 (ZONE CHANGE FROM MP TO PDI)

## Legend

Street Names

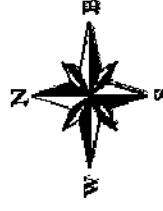
Parcel Lines

Zoning

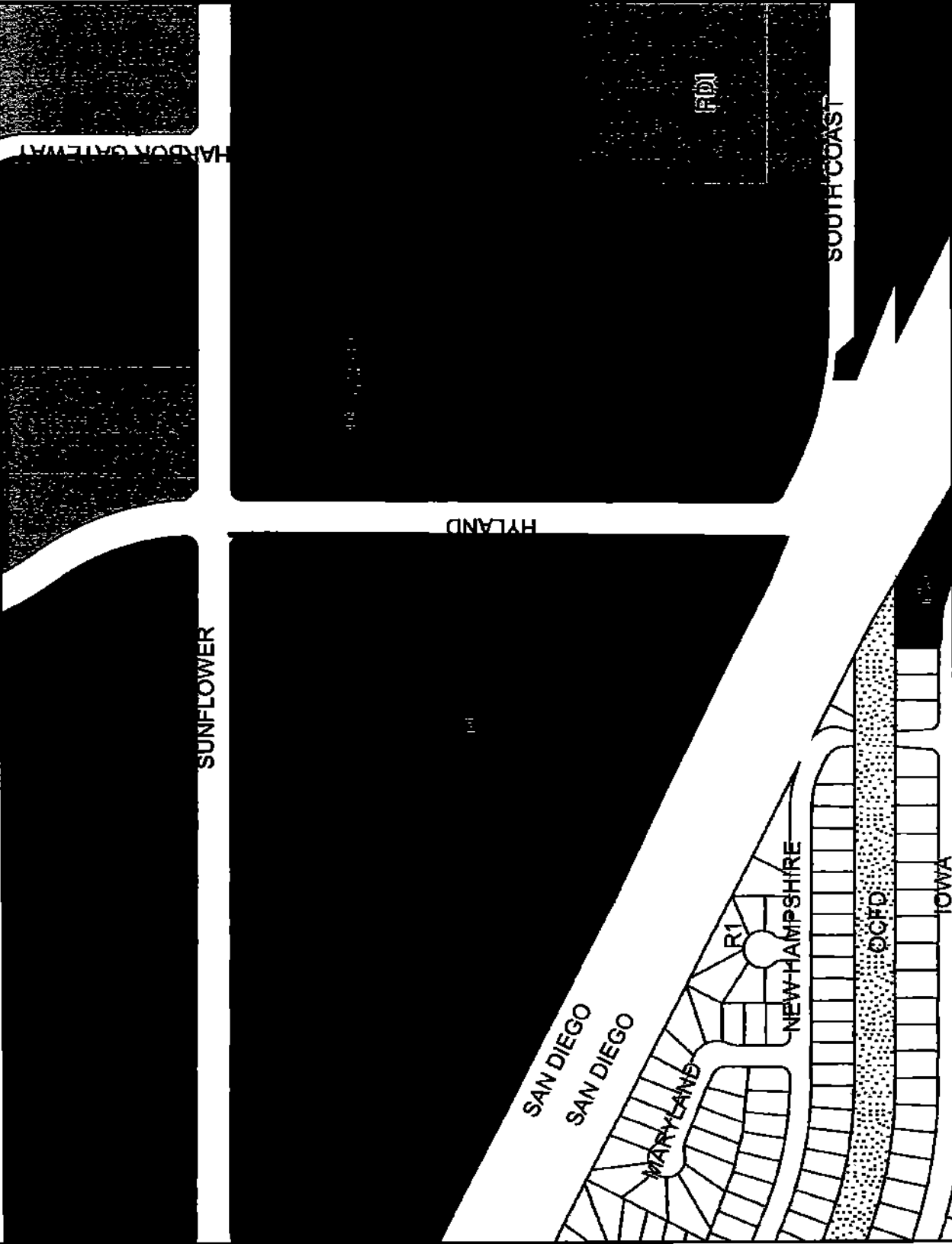


Dwelling General

General Plan Specific Land



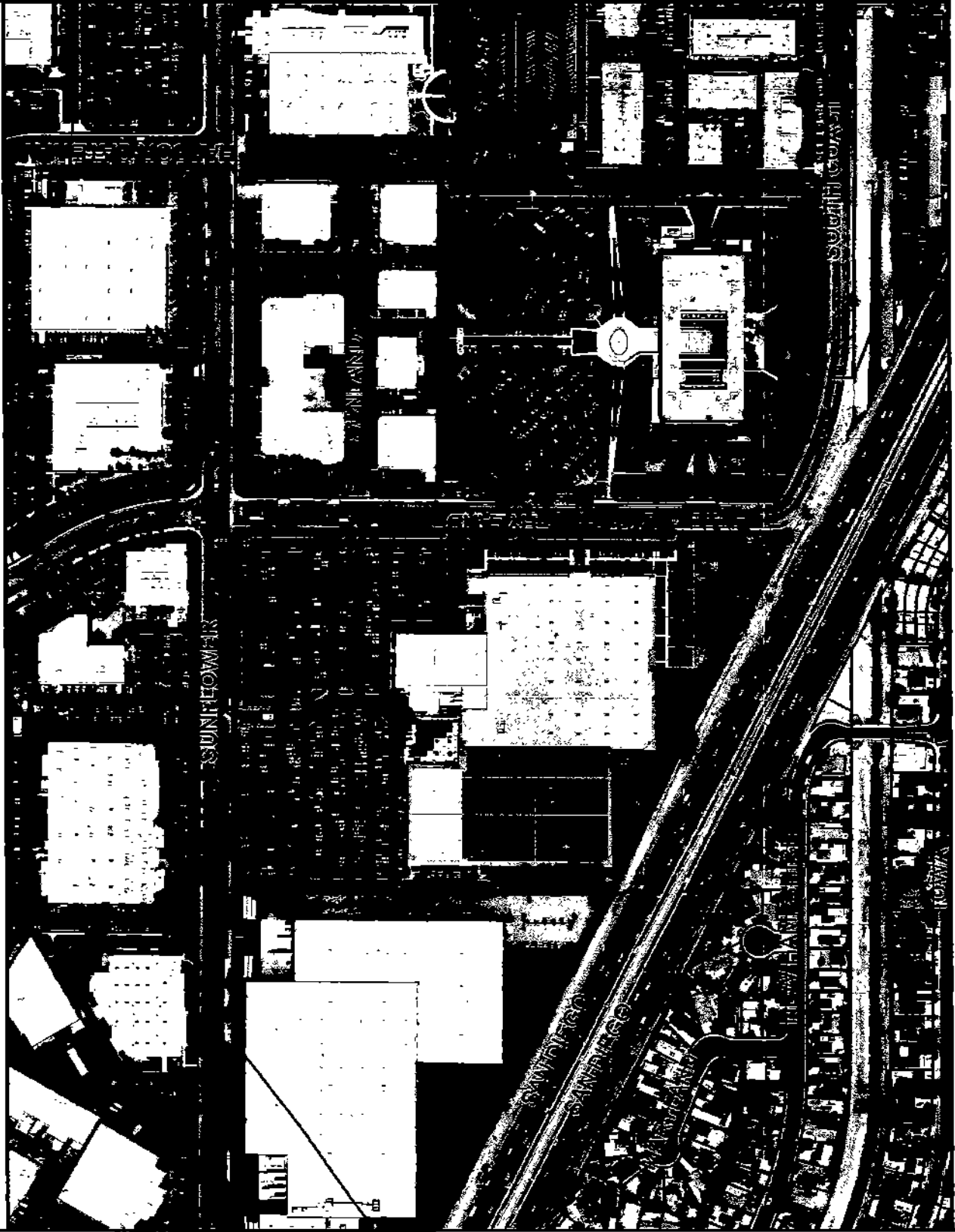
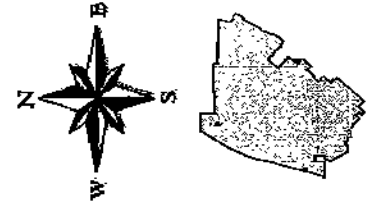
Powered By GeoSmart.net



# 3333 HYLAND AVE.

## Legend

- Street Names
- Parcel Lines
- Dwelling
- General
- General Plan
- Specific Land
- Ortho
- Photography
- Parcels





# **CITY OF COSTA MESA**

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

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DEVELOPMENT SERVICES DEPARTMENT

**FOR ATTACHMENTS NOT INCLUDED IN THIS  
REPORT, PLEASE CONTACT THE CITY CLERK'S  
OFFICE AT (714) 754-5121**